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November 22, 2010

The Honorable Julius Genachowski
Chairman
Federal Communications Commission
Washington, D.C. 20554

Dear Mr. Chairman:

During your visit to the State of Hawaii in July, you saw firsthand the communications challenges the state faces due to its unique geography and topography. Hawaii is rural and remote and comprised entirely of islands. Climate, altitude, and terrain change abruptly and vary widely, and many areas are accessible only by boat or helicopter. Seventy-two percent of Hawaii's residents reside on nine percent of its land mass, primarily on Oahu, in the city of Honolulu. Beyond Oahu, the state is sparsely populated.

While on Hawaii Island, you met with community members who spoke about ongoing efforts to serve rural and remote communities, particularly those residing on Hawaiian Homelands, and how the universal service program has supported these efforts. However, there are many other rural and remote communities in Hawaii which do not benefit from the universal service fund.

Hawaiian Telcom is responsible for constructing, operating, and maintaining the full service telecommunications infrastructure required by Hawaii's citizens. It is considered a non-rural carrier because it also serves a single city, Honolulu, and Hawaii is deemed a single, statewide study area. Hawaiian Telcom petitioned the Federal Communications Commission (FCC) in 2007 for a waiver so that it may receive federal high-cost model support on a wire center basis. The waiver, if granted, will better enable Hawaiian Telcom to provide broadband capability and infrastructure improvements that support emergency services; reliable voice and data transmission services; and advanced high-bandwidth services to the residents, small businesses, and anchor institutions in more than two dozen unserved and underserved wire centers throughout the state. This petition is still pending before your agency.

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The FCC's National Broadband Plan identifies high-speed broadband capability as a necessary new tool for our citizenry to continue to learn in our schools, thrive in our democracy, and compete in our global economy. However, as the FCC has also acknowledged, the deployment of broadband infrastructure at internationally competitive speeds is impossible in some locations where there is simply no business justification for it today. This is precisely what universal service support is intended to address.

I recognize that the FCC has begun the long-term process of comprehensive universal service fund reform. I also understand that the National Broadband Plan proposes to reform the high-cost fund. However, the purpose of my letter is twofold: first, to underscore the fact that a "one size fits all" approach to universal service fund reform is unrealistic and second, to encourage your timely consideration of Hawaiian Telcom's petition as a limited interim measure while the FCC and the Congress determine the path forward on universal service reform.

I greatly appreciate your consideration of my thoughts on this matter. I look forward to continuing to work with you to make sure that all Hawaiians have access to the type of high-quality and affordable communication service contemplated in the National Broadband Plan.

Sincerely,


DANIEL K. INOUE
United States Senator

DKI:mlc



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

January 28, 2011

The Honorable Daniel K. Inouye
United States Senate
722 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Inouye:

Thank you for your letter regarding the telecommunications challenges relating to Hawaii's geography and topography. During my visit last year, I greatly appreciated the opportunity to witness how Hawaii's unique geography affects the deployment of basic and advanced telecommunications technologies. There is no doubt that such challenges need significant consideration both in reforming universal service mechanisms, and in the Commission's actions to implement the National Broadband Plan. I am committed to closing the digital divide that exists today, and ensuring that Americans in all regions of the nation have access to telecommunications and information services that are reasonably comparable to services provided in urban areas.

I also appreciate knowing of your support for Hawaiian Telcom, Inc.'s petition requesting a waiver to determine high cost support on a wire-center basis. Hawaiian Telcom's petition is under review in the Commission's Wireline Competition Bureau, which is making every effort to conclude its review as quickly and equitably as possible. I will ensure that your letter is included in the record for this proceeding.

Thank you for your interest in this important matter. Please do not hesitate to contact me if I can be of further assistance.

Sincerely,


Julius J. Genachowski

*My visit certainly
helped me appreciate
the unique challenges
of Hawaii.*

*Thank you for the letter and more.
Looking forward to ongoing work together.*